

Complete and send this form, together with applicable fee(s), to: Mail

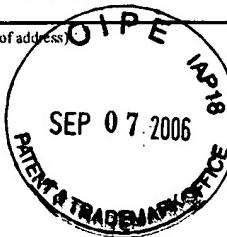
① 9-080
Mail Stop ISSUE FEE
Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450
or Fax (571)-273-2885

INSTRUCTIONS: This form should be used for transmitting the ISSUE FEE and PUBLICATION FEE (if required). Blocks 1 through 5 should be completed where appropriate. All further correspondence including the Patent, advance orders and notification of maintenance fees will be mailed to the current correspondence address as indicated unless corrected below or directed otherwise in Block 1, by (a) specifying a new correspondence address; and/or (b) indicating a separate "FEE ADDRESS" for maintenance fee notifications.

CURRENT CORRESPONDENCE ADDRESS (Note: Use Block 1 for any change of address)

7590 06/21/2006

OSHA LIANG LLP
Suite 2800
1221 McKinney Street
Houston, TX 77010



Note: A certificate of mailing can only be used for domestic mailings of the Fee(s) Transmittal. This certificate cannot be used for any other accompanying papers. Each additional paper, such as an assignment or formal drawing, must have its own certificate of mailing or transmission.

Certificate of Mailing or Transmission

I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below.

(Deposited name)

(Signature)

(Date)

| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|-----------------|-------------|----------------------|---------------------|------------------|
| 10/633,796 | 08/04/2003 | Timothy P. Beaton | 05516/045003 | 7248 |

TITLE OF INVENTION: POLYCRYSTALLINE DIAMOND COMPACT INSERT REAMING TOOL

| APPLN. TYPE | SMALL ENTITY | ISSUE FEE | PUBLICATION FEE | TOTAL FEE(S) DUE | DATE DUE |
|-----------------------|--------------|-----------|-----------------|------------------|------------|
| nonprovisional | NO | \$1400 | \$300 | \$1700 | 09/21/2006 |
| EXAMINER | ART UNIT | | CLASS-SUBCLASS | | |
| GAY, JENNIFER HAWKINS | 3672 | | 175-406000 | | |

1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363).

- Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached.
 "Fee Address" indication (or "Fee Address" Indication form PTO/SB/47; Rev 03-02 or more recent) attached. Use of a Customer Number is required.

2. For printing on the patent front page, list

- (1) the names of up to 3 registered patent attorneys or agents OR, alternatively,
(2) the name of a single firm (having as a member a registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed.

1 OSHA LIANG LLP

2 _____

3 _____

3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type)

PLEASE NOTE: Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment.

(A) NAME OF ASSIGNEE

(B) RESIDENCE: (CITY and STATE OR COUNTRY)

Smith International, Inc.

Houston, Texas

Please check the appropriate assignee category or categories (will not be printed on the patent): Individual Corporation or other private group entity Government

4a. The following fee(s) are enclosed:

- Issue Fee
 Publication Fee (No small entity discount permitted)
 Advance Order - # of Copies 2

4b. Payment of Fee(s):

- A check in the amount of the fee(s) is enclosed.
 Payment by credit card. Form PTO-2038 is attached.
 The Director is hereby authorized to charge the required fee(s), or credit any overpayment, to Deposit Account Number 50-0591 (enclose an extra copy of this form).

5. Change in Entity Status (from status indicated above)

- a. Applicant claims SMALL ENTITY status. See 37 CFR 1.27.
 b. Applicant is no longer claiming SMALL ENTITY status. See 37 CFR 1.27(g)(2).

The Director of the USPTO is requested to apply the Issue Fee and Publication Fee (if any) or to re-apply any previously paid issue fee to the application identified above. NOTE: The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant; a registered attorney or agent; or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office.

Authorized Signature Jeffrey S. Bergman

Date September 7, 2006

Typed or printed name Jeffrey S. Bergman

Registration No. 45,925

This collection of information is required by 37 CFR 1.311. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, Virginia 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number.

09/11/2006 JBALIMA2 00000063 10633796

01 FC:1501

02 FC:1504

03 FC:8001

1400.00 OP

300.00 OP

6.00 OP



PTO/SB/17 (07-06)

Approved for use through 01/31/2007. OMB 0651-0032
U.S. Patent and Trademark Office; U.S. DEPARTMENT OF COMMERCE

Under the Paperwork Reduction Act of 1995, no person are required to respond to a collection of information unless it displays a valid OMB control number.

Effective on 12/08/2004.

Fees pursuant to the Consolidated Appropriations Act, 2005 (H.R. 4818).

FEE TRANSMITTAL

For FY 2005

Applicant claims small entity status. See 37 CFR 1.27

| | | |
|--------------------------------|------|----------|
| TOTAL AMOUNT OF PAYMENT | (\$) | 1,706.00 |
|--------------------------------|------|----------|

Complete if Known

| | |
|----------------------|------------------------|
| Application Number | 10/633,796-Conf. #7248 |
| Filing Date | August 4, 2003 |
| First Named Inventor | Timothy P. Beaton |
| Examiner Name | J. H. Gay |
| Art Unit | 3672 |
| Attorney Docket No. | 05516/045003 |

METHOD OF PAYMENT (check all that apply)

Check Credit Card Money Order None Other (please identify): _____

Deposit Account Deposit Account Number: 50-0591 Deposit Account Name: Osha · Liang LLP

For the above-identified deposit account, the Director is hereby authorized to: (check all that apply)

Charge fee(s) indicated below Charge fee(s) indicated below, except for the filing fee

Charge any additional fee(s) or underpayment of fee(s) under 37 CFR 1.16 and 1.17 Credit any overpayments

FEE CALCULATION**1. BASIC FILING, SEARCH, AND EXAMINATION FEES**

| Application Type | FILING FEES | | SEARCH FEES | | EXAMINATION FEES | | Small Entity |
|-------------------------|--------------------|------------------------------|--------------------|------------------------------|-------------------------|------------------------------|---------------------|
| | Fee (\$) | Small Entity Fee (\$) | Fee (\$) | Small Entity Fee (\$) | Fee (\$) | Small Entity Fee (\$) | |
| Utility | 300 | 150 | 500 | 250 | 200 | 100 | |
| Design | 200 | 100 | 100 | 50 | 130 | 65 | |
| Plant | 200 | 100 | 300 | 150 | 160 | 80 | |
| Reissue | 300 | 150 | 500 | 250 | 600 | 300 | |
| Provisional | 200 | 100 | 0 | 0 | 0 | 0 | |

2. EXCESS CLAIM FEES**Fee Description**

Each claim over 20 (including Reissues)

| | | | |
|---------------------|---------------------|-----------------|----------------------|
| Total Claims | Extra Claims | Fee (\$) | Fee Paid (\$) |
|---------------------|---------------------|-----------------|----------------------|

| | |
|-----------------|-----------------|
| Fee (\$) | Fee (\$) |
|-----------------|-----------------|

Each independent claim over 3 (including Reissues)

50 25

Multiple dependent claims

200 100

360 180

| | | | |
|---------------------|---------------------|-----------------|----------------------|
| Total Claims | Extra Claims | Fee (\$) | Fee Paid (\$) |
|---------------------|---------------------|-----------------|----------------------|

Multiple Dependent Claims

| | |
|-----------------|----------------------|
| Fee (\$) | Fee Paid (\$) |
|-----------------|----------------------|

| | | | |
|----------------------|---------------------|-----------------|----------------------|
| Indep. Claims | Extra Claims | Fee (\$) | Fee Paid (\$) |
|----------------------|---------------------|-----------------|----------------------|

| | | | |
|----------|-------|----------|----------|
| 3 | - 3 = | x | = |
|----------|-------|----------|----------|

HP = highest number of independent claims paid for, if greater than 3.

3. APPLICATION SIZE FEE

If the specification and drawings exceed 100 sheets of paper (excluding electronically filed sequence or computer listings under 37 CFR 1.52(e)), the application size fee due is \$250 (\$125 for small entity) for each additional 50 sheets or fraction thereof. See 35 U.S.C. 41(a)(1)(G) and 37 CFR 1.16(s).

| | | | | |
|---------------------|---------------------|---|-----------------|----------------------|
| Total Sheets | Extra Sheets | Number of each additional 50 or fraction thereof | Fee (\$) | Fee Paid (\$) |
|---------------------|---------------------|---|-----------------|----------------------|

| | | | | |
|---------|-----|--------------------------------|---|--|
| - 100 = | /50 | (round up to a whole number) x | = | |
|---------|-----|--------------------------------|---|--|

4. OTHER FEE(S)

Non-English Specification, \$130 fee (no small entity discount)

Fees Paid (\$)

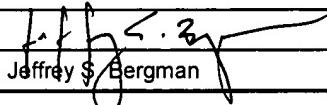
Other (e.g., late filing surcharge): 1501 Utility issue fee 1,400.00

300.00

1504 Publication fee for early, voluntary, or normal ...

8001 Printed copy of patent w/o color 6.00

SUBMITTED BY

| | | | | | |
|-------------------|---|--------------------------------------|-------------------|-----------|----------------|
| Signature |  | Registration No. (Attorney/Agent) | 45,925 | Telephone | (713) 228-8600 |
| Name (Print/Type) | Jeffrey S. Bergman | Date | September 7, 2006 | | |